

REFERENCE TITLE: **property tax exemption; indigent; afflicted**

State of Arizona
House of Representatives
Forty-eighth Legislature
Second Regular Session
2008

HB 2139

Introduced by
Representatives Ableser: Campbell CH

AN ACT

AMENDING SECTION 42-11133, ARIZONA REVISED STATUTES; RELATING TO PROPERTY TAX EXEMPTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 42-11133, Arizona Revised Statutes, is amended to
3 read:

4 42-11133. Exemption for low income housing projects

5 A. Property that is used exclusively for rental housing and related
6 facilities is exempt from taxation if:

- 7 1. The property is not used or held for profit.
- 8 2. The property is owned and operated by, or is a wholly owned
9 subsidiary of, a charitable fund, foundation or corporation, including a
10 limited partnership **OR LIMITED LIABILITY COMPANY** in which the managing
11 general partner is an eligible nonprofit corporation.

12 3. All of the following ~~applies~~ APPLY:

13 (a) The acquisition, rehabilitation, development or operation of the
14 property, or any combination of these factors, is financed with tax exempt
15 mortgage revenue bonds or general obligation bonds or is financed by local,
16 state or federal loans or grants and the rents of the occupants do not exceed
17 the rents that are prescribed by deed restrictions or by regulatory
18 agreements pursuant to the financing or financial assistance terms.

19 (b) The owner of the property is eligible for and receives tax credits
20 for low income residential housing established under section 42 of the
21 internal revenue code.

22 (c) The property is used ~~as an assisted living facility~~ for low income
23 **elderly** residents.

24 (d) The facility cannot exceed two hundred residents.

25 B. To qualify under this section, the owner of the property must:

26 1. For any claim that is filed in any fiscal year, certify and ensure,
27 subject to paragraph 2 of this subsection, that there is an enforceable and
28 verifiable agreement with a public agency, a recorded deed restriction or any
29 other legal document that restricts the use of the property and requires that
30 the rents do not exceed the terms that are prescribed by the financing or
31 financial assistance terms. In the case of a limited partnership in which
32 the managing general partner is an eligible nonprofit corporation, the
33 requirements under this paragraph must be included in an enforceable and
34 verifiable agreement with a public agency or in a recorded deed certified by
35 the limited partnership.

36 2. Certify that the monies that would have been necessary to pay the
37 property taxes are used to maintain the affordability of or otherwise reduce
38 the rents of the units that are occupied by eligible low income households.